



March 29, 2005

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# ENGROSSED

## SENATE BILL No. 330

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DIGEST OF SB 330 (Updated March 28, 2005 1:08 pm - DI 77)

**Citations Affected:** IC 26-2.

**Synopsis:** Electronic health care transactions. Authorizes the use of electronic signature authentication and identification with respect to individually identifiable health information. Establishes permitted features of an electronic signature authentication and identification system that is used for certain transactions involving individually identifiable health information.

**Effective:** July 1, 2005.

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**Ford, Lewis, Clark**

(HOUSE SPONSORS — BROWN T, MURPHY, OXLEY, GOODIN)

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January 6, 2005, read first time and referred to Committee on Economic Development and Technology.

February 22, 2005, amended, reported favorably — Do Pass.

February 28, 2005, read second time, ordered engrossed. Engrossed.

March 1, 2005, read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

March 14, 2005, read first time and referred to Committee on Public Health.

March 28, 2005, reported — Do Pass.

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ES 330—LS 7216/DI 77+



March 29, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 330

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A BILL FOR AN ACT to amend the Indiana Code concerning commercial law.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 26-2-8-116 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2005]: **Sec. 116. (a) As used in this section, "authorization"**  
4 **means a consent, an approval, or an authorization between an**  
5 **individual and a person.**  
6 **(b) As used in this section, "electronic identification" means the**  
7 **electronic identification system for form, location, and**  
8 **endorsement that is specified in subsection (d).**  
9 **(c) Electronic signature authentication and identification may**  
10 **be used for an individual who participates in agreements,**  
11 **authorizations, contracts, records, or transactions that involve**  
12 **individually identifiable health information, including medical**  
13 **records and record keeping, transfer of medical records, medical**  
14 **billing, health care proxies, health care directives, consent to**  
15 **medical treatment, medical research, and organ and tissue**  
16 **donation or procurement.**  
17 **(d) The electronic authentication and identification under**

ES 330—LS 7216/DI 77+



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1 subsection (c) may be accomplished by an interactive system of  
2 security procedures that include any of the following:

3 (1) A tamper proof electric appliance that receives input of  
4 unique identification numbers, unique biometric identifiers,  
5 or location devices.

6 (2) A computerized authentication process for biometric  
7 identifiers that is linked to the appropriate identification  
8 numbers upon receipt of the identifiers.

9 (3) Transmission of verification of the identifiers to a securely  
10 maintained electronic repository.

11 No provision in this section may be construed to supersede or  
12 preempt applicable federal and state law, including the Indiana  
13 Uniform Electronic Transactions Act (IC 26-2-8), the Health  
14 Insurance Portability and Accountability Act of 1996 and  
15 associated regulations, and 21 CFR Part 11.

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SENATE MOTION

Madam President: I move that Senator Lewis be removed as author of Senate Bill 330 and that Senator Ford be substituted therefor.

LEWIS

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SENATE MOTION

Madam President: I move that Senator Lewis be added as second author of Senate Bill 330.

FORD

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SENATE MOTION

Madam President: I move that the Senate rescind its action whereby it adopted the Senate Motion to add Senator Lewis as second author of Senate Bill 330.

FORD

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SENATE MOTION

Madam President: I move that Senator Lewis be added as second author of Senate Bill 330.

FORD

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## COMMITTEE REPORT

Madam President: The Senate Committee on Economic Development and Technology, to which was referred Senate Bill No. 330, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 1, delete "must" and insert "**may**".

Page 2, line 2, after "include" insert "**any of**".

Page 2, line 5, delete "and global positioning system signal" and insert "**or location**".

Page 2, after line 10, begin a new line blocked left and insert:  
**"No provision in this section may be construed to supersede or preempt applicable federal and state law, including the Indiana Uniform Electronic Transactions Act (IC 26-2-8), the Health Insurance Portability and Accountability Act of 1996 and associated regulations, and 21 CFR Part 11."**

and when so amended that said bill do pass.

(Reference is to SB 330 as introduced.)

FORD, Chairperson

Committee Vote: Yeas 7, Nays 0.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Senate Bill 330, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BROWN T, Chair

Committee Vote: yeas 7, nays 0.

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